

# Idaho Grain Market Report, November 14, 2013

Published by the Idaho Barley Commission, [kolson@idahobarley.org](mailto:kolson@idahobarley.org), 208-334-2090

Prices paid by Idaho Elevators delivered to warehouses in specified locations for barley and wheat on Wednesday, November 13. Barley prices in \$/Cwt. and wheat prices in \$/bu.

Barley (Cwt.)			Wheat (bu.)		
Ashton	NQ	(2-R) \$10.00 (6-R) \$10.00	NQ	NQ	NQ
Rexburg/ Ririe/ Roberts	NQ	(2-R) NQ (6-R) NQ	NQ	NQ	NQ
Idaho Falls	\$7.85	(2-R) \$11.50-\$12.00 (6-R) \$11.50	\$6.20	\$6.57	\$6.83
Blackfoot / Pocatello	NQ	(2-R) \$10.00 (6-R) \$10.00	\$6.25	\$7.14	\$7.22
Grace / Soda Springs	\$7.35	(2-R) \$10.00 (6-R) \$10.00	NQ	\$7.12	\$7.25
Burley / Rupert	\$7.75-\$8.00	(2-R) \$11.50 (6-R) \$11.50	\$6.00	\$6.70	\$6.88
Hazelton					
Twin Falls / Eden / Buhl	NQ	(2-R) NQ (6-R) NQ	NQ	NQ	NQ
Weiser	\$7.00	(2-R) NQ (6-R) NQ	\$6.15	NQ	NQ
Nez Perce / Craigmont	\$6.35	(2-R) \$6.35 (6-R) \$6.35	\$6.57	\$7.45	\$7.76
Lewiston	\$6.60	(2-R) \$6.60 (6-R) \$6.60	\$6.76	\$7.64	\$7.95
Moscow / Genesee	\$6.40-\$7.75	(2-R) \$6.40 (6-R) \$6.40	\$6.53-\$7.18	\$7.41-\$8.11	\$7.72-\$8.42

## Prices at Selected Terminal Markets, cash prices FOB

	#2 Feed 46 lbs. -- unit trains barge	Single rail cars- domestic	Malting	#1 SWW	#1 HRW 11.5% Protein	#1 DNS 14% Protein
Portland	NQ	NQ	NQ	Nov \$6.91 ¼-\$7.08 ¼ Feb \$7.12 ¾-\$7.30	Dec \$8.11 ¾-\$8.19 ¾ Feb \$8.19 ¾-\$8.29 ¾	Dec \$8.12 ¼-\$8.32 ¼ Feb \$8.47 ¾-\$8.57 ¾
Los Angeles	\$10.60	NQ	NQ	NQ	NQ	NQ
Stockton	NQ	NQ	NQ	NQ	NQ	NQ
Tulare	\$10.60	NQ	NQ	NQ	NQ	NQ
Ogden	\$7.50	NQ	NQ	\$6.50	\$7.44	\$7.68
Great Falls	\$6.50-\$7.00	NQ	\$9.50	NQ	\$6.62-\$6.73	\$7.01-\$7.19
Minneapolis	\$7.19	NQ	\$11.35	NQ	\$7.66 ½ (12%)	\$8.42 ¼-\$8.67 ¼

## Market trends this week

**BARLEY** – Local barley prices were mostly steady this week with southern Idaho locations reporting no change to 25 cents lower and northern Idaho reporting no change. USDA reported that barley export sales for the past 3 weeks totaled 110.6 TMT. Export shipments for the same time period totaled 10.5 TMT.

**USDA's S&D Projections for New MY 2013/14 for BARLEY – Nov. 8** – USDA made only a couple minor tweaks to the U.S. barley balance sheet this month... they cut U.S. production by 3 million bu to 215 million bu, based on slightly lower harvested acreage, and cut ending stocks by an equal amount to 80 million bu. The average farm gate price for U.S. barley was tightened to \$5.65-\$6.35. **World barley production was cut by .288 MMT this month to 141.7 MMT, up 9% from last year, with Russian production cut by 1 MMT, European production increased by 1 MMT and Canadian production increased by .45 MMT. World ending stocks were increased by .4 MMT to 22.8 MMT, up 12% from last year.**

**WHEAT** – Local wheat prices were mostly lower this week: SWW ranged from 5 to 25 cents lower; HRW ranged from 18 to 47 cents lower; and DNS ranged from 10 to 93 cents lower. USDA reported wheat export sales last week were on the

high end of trade expectations at 427.8 TMT (416.8 TMT for MY 13/14 and 11 TMT for 2014/15). Cumulative wheat export sales have now reached 69.8% of the USDA estimate for MY 2013/14 compared to a 5-year average of 58.6%, but the recent sales pace has slowed considerably. Wheat export shipments last week totaled 312 TMT, with Brazil, Japan, Guatemala, Venezuela and Nigeria the main detinations.

**USDA's S&D Projections for New MY 2013/14 for WHEAT – Nov. 8 -** USDA raised 2013 wheat production this month by 13 million bu to 2.13 billion bu, based on a slightly higher average yield of 47.2 bpa. increased imports by 10 million bu to 150 million bu, cut food use by 8 million bu to 950 million bu and raised feed use by 30 million bu to 310 million bu. **This resulted in a modest 4 million bu increase in wheat ending stock to 565 million, ABOVE the average pre-report trade estimate of 519 million bu.** The average farm gate price for U.S. wheat was narrowed to \$6.70-\$7.30/bu. **World wheat production was cut by 2.5 MMT this month to 706.4 MMT, up 8% from last year, led by bigger crops in Canada and the EU.** USDA cut Argentine production by 1 MMT to 11 MMT. **World wheat ending stocks were increased by 2 MMT to 178.5 MMT, up nearly 2% from last year.**

**Wheat Competitor/Buyer News –** The European Union approved licenses to export 461 TMT of wheat this week, bringing their cumulative wheat exports to 9.4 MMT this marketing year compared to 5.7 MMT for the same period a year ago.

**CORN -** Corn export sales were well above trade expectations last week at 1.718 MMT. Cumulative corn export sales have now reached 71.5% of the USDA estimate for the marketing year compared to a 5-year average of 46.4%, which strongly suggests that USDA will raise its corn export projection in either tomorrow's or a future supply and demand report.. Corn export shipments also were strong at 710.2 TMT, with Mexico, China, Japan, Colombia and Indonesia the leading destinations.

**Ethanol corn usage –** DOE's Energy Information Agency reported U.S. ethanol production slipped by 9,000 bpd last week to 902,000 bpd, down 1% from the previous week but up 9% from a year ago. Corn used for ethanol totaled 94.7 million bu, right on pace to meet the USDA projection of 4.9 billion bu for the marketing year.

**USDA's S&D Projections for New MY 2013/14 for CORN – Nov. 8 –** USDA raised beginning stocks by 163 million bu to 824 million bu, based on slightly lower feed usage (-142 million), ethanol (-17 million bu) and exports (-4 million bu) at the end of MY 2012/13 which ended August 31. **For new crop, USDA pegged the 2013 output at 13.989 billion bu, 146 million bu ABOVE their September estimate but mostly in line with pre-report trade estimates of 14.003 billion bu.** Harvested acres were cut by nearly 2 million acres to 87.2 million while average corn yields were bumped from 155.3 bpa to 160.4 bpa. The average pre-report trade estimates were 88.097 million and 159 bpa. USDA also turned somewhat bullish on the demand side, hiking feed usage by 100 million bu and exports by 175 million bu. This resulted in a modest 32 million bu increase in **ending stocks to 1.887 billion bu, BELOW the pre-report trade estimate of 2.029 billion bu.** The average farm gate price for U.S. corn was adjusted downward to \$4.10-\$4.90/bu. **World corn production was increased by nearly 6 MMT to a new record 962.8 MMT, up 12% from last year, while world corn ending stocks were increased by nearly 13 MMT this month to 164.3 MMT, up 22% from last year.**

**Corn Competitor/Buyer News –**

#### Futures market activity this week

**Global macroeconomic trends –**

**U.S. economic indicators –**

**WHEAT –** Wheat markets Wheat closed today (Thursday) **Wheat market closes on Thursday, 11/14/13 ...**

	<b>Dec. 2013</b>	<b>Weekly Summary</b>	<b>Mar. 2014</b>	<b>Weekly Summary</b>	<b>Dec. 2014</b>	<b>Weekly Summary</b>
Chicago SRW	\$6.53	Down \$.14 ¾	\$6.63 ¾	Down \$.15	\$6.90 ¼	Down \$.13 ¾
KC HRW	\$7.12 ½	Down \$.21	\$7.15 ¼	Down \$.20 ¾	\$7.25 ¼	Down \$.11 ½
MGE DNS	\$7.09 ½	Down \$.16	\$7.20 ¼	Down \$.16 ¾	\$7.42 ¼	Down \$.07 ¾

**CORN –** Corn Corn finished today (Thursday). **Corn futures contract closes on Thursday, 11/14/13 for Dec. 2013 contract at \$4.20½, down \$.06¼, Mar. 2014 contract closed at \$4.31½, down \$.06 and the Dec. 2014 contract closed at \$4.61¼, down \$.05 ½ for the week.**

**OTHER MAJOR FACTORS TO WATCH –**

**CRUDE OIL –** To start the week, crude oil prices stabilized from its recent slide to a 4-month low, with support from a weaker dollar and ideas that recent losses were overdone. Expectations of another hefty increase in weekly inventories

pushed prices lower on Tuesday – finishing down \$1.25 to close at \$93.37. Wednesday saw prices rebound on a smaller than expected build in crude oil stocks and a boost in investor risk-taking sentiment. DOE's weekly inventory report for last week showed crude oil stocks increased by 1.57 million bbls, compared to an expected build of 2.1 million bbls; distillates fell by 4.899 million bbls, compared to an expected decline of 1.5 million bbls; and gasoline inventories fell by 3.755 million bbls, compared to an expected decline of 400,000 bbls. Gasoline demand showed unexpected strength, jumping by more than 5% in the past 4 weeks. **Crude oil futures closed lower again today – down \$.60 to finish at \$94.20/bbl- under pressure from a surge in the dollar and reduced geopolitical risk premium due to optimism about positive negotiations with Iran over their nuclear program.**

**U.S. WEATHER / CROP PROGRESS – PNW** –Mild and showery weather persisted across the PNW with unusually warm conditions in many areas. By weekend temperatures are expected to call with expected precipitation. **Corn Belt** – Coldest weather of the year spread across the Central U.S. but conditions were mostly dry allowing final harvest push to resume. Colder air is expected to erode by the weekend with the potential for near to above normal temperatures into the next week. **Plains** – Mostly cold and dry this week.

#### USDA Crop Progress / Condition Report, November 12, 2013

Crop	% Progress	Previous Week	Previous Year	5-Year Average	Condition rating % good/excellent	Previous Week	Previous Year
US winter wheat	95% planted 84% emerged	91% 78%	94% 78%	93% 80%	65%	63%	36%
ID winter wheat	100% planted 86% emerged	100% 80%	99% 85%	99% 89%	90%	89%	
Corn	84% harvested	73%	97%	79%			

#### INTERNATIONAL WEATHER / CROP PROGRESS -

- **Argentina** – Key production areas continued to see soaking rains this week, boosting soil moisture but slowing corn and soybean planting. Corn planting was estimated to be 31% completed early in the week compared to near completion on average.
- **Brazil** – Rains this week favor central Brazil and are expected to move into southern production regions next week, improving conditions for corn and soybean planting and establishment.
- **Australia** – Southeastern region received rain this week and eastern areas are expected to see rain next week. Most areas except drought-affected areas of New South Wales (second largest wheat producing region) have seen a mostly favorable finish to this year's growing season. Small grain harvest is actively underway in almost all areas.

## Idaho Ag Market Outlook Seminar

**Burley, Dec 11, 2013, Burley Inn**

**Idaho Falls, Dec 12, 2013, Hotel on the Falls**

8:30—9:00	Registration
9:00—9:45	Global Ag Outlook—Dr. Cathy Roheim, U of I
9:45—10:15	U.S. Economic Outlook—Doug Robison, NW Farm Credit
10:15—10:30	Break
10:30—11:15	Idaho Ag Outlook – Dr. Garth Taylor, U of I
11:15—12:00	Input Costs—Paul Patterson, U of I
12:00—12:45	Lunch
12:45—1:30	Grain Situation & Outlook—Kelly Olson, Idaho Barley Comm.
1:30—2:15	Potato & Sugar Beet Outlook—Paul Patterson, U of I
2:15—3:00	Beef & Cattle Outlook—Casey Bieroth, AgriBeef
3:00—3:30	Dairy & Alfalfa Situation & Outlook—Wilson Gray, U of I

**Cost:** \$20 per person includes lunch and materials. **Registration:** Please call the Teton County Extension Office (208) 354-2961 by December 9<sup>th</sup>.